

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY POWER )	
COMPANY FOR AUTHORITY TO ISSUE )	CASE NO. 95-401
AND SELL FIRST MORTGAGE BONDS OF )	
ONE OR MORE NEW SERIES )	

O R D E R

On November 8, 1995, December 4, 1995, and June 14, 1996, the Commission authorized Kentucky Power Company ("Kentucky Power") to issue and sell up to \$125,000,000 of its secured or unsecured promissory notes in one or more transactions through December 31, 1996. On October 30, 1996, Kentucky Power filed its Motion for Leave to Extend Authority Granted requesting to extend through December 31, 1997 its authority to issue and sell its previously authorized securities.

Kentucky Power has, to date, issued \$75,000,000 of unsecured notes. Kentucky Power states that because of cash flow fluctuations and financial market conditions it may not be able to issue the remaining \$50,000,000 prior to the expiration of its current authority on December 31, 1996. Therefore, Kentucky Power requests its authority to issue the remaining \$50,000,000 be extended through December 31, 1997.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Kentucky Power's request to extend through December 31, 1997 the financing authority previously granted in this case is reasonable and should be granted.

IT IS THEREFORE ORDERED that:

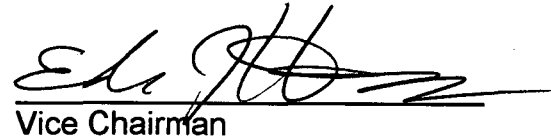
1. The Commission's Orders dated November 8, 1995, December 4, 1995, and June 14, 1996 are modified to the limited extent that the financing authority granted therein shall extend through December 31, 1997.

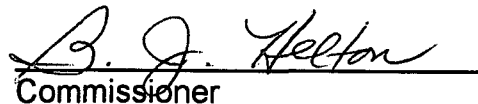
2. All other provisions of the November 8, 1995, December 4, 1995 and June 14, 1996 Orders not inconsistent herewith shall remain in full force and effect.

Done at Frankfort, Kentucky, this 14th day of November, 1996.


PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director